By: Stogner, Horhn

To: Agriculture

SENATE BILL NO. 2559

AN ACT TO CREATE AN ORGANIC CERTIFICATION PROGRAM TO BE 1 2 DEVELOPED AND IMPLEMENTED BY THE DEPARTMENT OF AGRICULTURE AND 3 COMMERCE FOR THE PURPOSE OF DISTINGUISHING AND REGULATING THE SALE 4 OF ORGANIC FOOD; TO PROVIDE DEFINITIONS; TO REQUIRE PERSONS TO BECOME CERTIFIED BY THE DEPARTMENT BEFORE SELLING ORGANIC FOOD; TO 5 PROVIDE CERTIFICATION REQUIREMENTS; TO REQUIRE CERTAIN INSPECTION AND RENEWAL FEES; TO PROVIDE PENALTIES FOR VIOLATIONS OF THIS ACT; б 7 TO PROVIDE HEARING PROCEDURES FOR PERSONS ACCUSED OF VIOLATING 8 9 THIS ACT; AND FOR RELATED PURPOSES.

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 11 <u>SECTION 1.</u> For the purpose of this act, the following terms 12 shall have the following meanings:

(a) "Agricultural product" means any agricultural
commodity or product, whether raw or processed, including any
commodity or product derived from livestock that is marketed for
human or livestock consumption.

17 (b) "Certified organic farm" means a farm or portion of a farm or a site where agricultural products or livestock are 18 produced, that is certified by the department as utilizing a 19 system of organic farming. 20 "Commissioner" means the Commissioner of the 21 (C) Mississippi Department of Agriculture and Commerce. 22 23 (d) "Department" means the Mississippi Department of Agriculture and Commerce. 24 (e) "EPA" means the United States Environmental 25 Protection Agency. 26

27 (f) "Farm plan" means a plan of management of an
28 organic farm that has been agreed to by the producer or handler
29 and the department and that includes written plans concerning all

30 aspects of agricultural production or handling including all 31 practices required under this act.

32 (g) "FDA" means the United States Food and Drug33 Administration.

34 (h) "Greenhouse unit" or "unit" means a structure35 intended or used for the production of agricultural products.

36 (i) "Handler" means any person engaged in the business
37 of handling agricultural products, except such term shall not
38 include final retailers of agricultural products that do not
39 process agricultural products.

(j) "Livestock" means any cattle, sheep, goats, swine,
poultry, equine animals used for food or in the production of
food, fish or other seafood used for food, wild or domesticated
game, or other nonplant life.

(k) "Mississippi organic materials and practices
(MOMP)" means a list of approved and prohibited substances and
practices as adopted.

(1) "Organic farming" means a food production system
based on farm management methods or practices that rely on
building soil fertility by utilizing crop rotation, recycling of
organic wastes, application of unsynthesized minerals and, when
necessary, mechanical, botanical or biological pest control.

(m) "Organic food" means a food which is labeled as organic or organically grown and which has been produced, transported, distributed, processed and packaged without the use of synthetic pesticides, synthetically compounded fertilizers, synthetic growth hormones, genetically modified organisms or artificial radiation and which has been verified by the department as complying with all provisions of this act.

(n) "Organically managed or produced" means an agricultural product that is produced and handled in accordance with all the provisions of this act and any regulations adopted thereunder.

(o) "Person" means an individual, group of individuals,
corporation, association, organization, cooperative or other
entity.

(p) "Pesticide" means any substance or mixture of

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67 substances intended for preventing, destroying, repelling or 68 mitigating any pest and any substance or combination of substances 69 intended for use as a plant regulator, defoliant, desiccant or any 70 substance the commissioner determines to be a pesticide.

(q) "Processing" means cooking, baking, heating, drying, mixing, grinding, churning, separating, extracting, cutting, fermenting, eviscerating, preserving, dehydrating, freezing or otherwise manufacturing and includes the packaging, canning, jarring or otherwise enclosing food in a container.

76 (r) "Producer" means a person who engages in the 77 business of growing or producing food, feed, ornamental plants and 78 livestock.

(s) "Prohibited substances, fertilizers, materials, pesticides" mean those substances, fertilizers, materials, pesticides or practices prohibited by this act or regulations from use in a certified organic farming operation.

83 (t) "Restricted" means substances and practices which84 use is limited or qualified by the commissioner.

85 (u) "Tolerance" means the amount of a pesticide86 permitted on raw or processed agricultural commodities.

87 <u>SECTION 2.</u> The department may adopt any rules and 88 regulations necessary for the enforcement and administration of 89 this act, including, but not limited to:

90 (a) Crop, livestock and dairy production standards; 91 (b) Manufacturing, processing, packaging and labeling 92 standards;

93 (c) A materials list of permitted and prohibited 94 substances;

95 (d) Procedures governing the certification process; and
 96 (e) Standards and procedures for approving out-of-state
 97 organic products and ingredients.

98 <u>SECTION 3.</u> (1) Any producer who sells or intends to sell 99 organic food shall apply to the department for certification in 100 accordance with this act.

101 (2) An applicant for certification must document that the 102 land, individual field or greenhouse units to be certified shall 103 be managed organically. Documentation for certification shall be 104 in the form of a detailed, three-year farm plan for land, fields 105 or units and in a format acceptable to the department. The 106 application shall be reviewed by the organic certification program 107 director.

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(3) The farm plan shall include:

109 (a) Three-year rotation and nutrient-stabilization110 plans for each field or unit under organic management;

(b) One-year, agronomic field-by-field crop practice and spray plans for each field or unit of the farm which is organically managed;

(c) A map of the field to be organically managed which also indicates all buffer zones and their width, with at least a thirty-foot buffer zone separating land managed organically from other cultivated agricultural land and at least a fifteen-foot buffer zone separating greenhouse units managed organically from other units;

120 (d) A description of facility and methods that shall be 121 used to keep organically-managed crops and livestock from 122 post-harvest segregated from nonorganically-managed crops and 123 livestock;

(e) A description of facilities and methods that will
be used to keep farm equipment from contaminating
organically-managed fields; and

127 (f) A description of facilities and methods that shall
128 be used to store and handle prohibited materials separately from
129 permitted materials.

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(4) A crop grown in an organically-managed field, any part

of which is located within thirty (30) feet of a field to which a prohibited pesticide has been applied, shall be tissue-tested for residues of that pesticide before the harvest of the organic crop. (5) The department shall not certify a field as organically-managed that is part of a farm unless there exist distinct, defined boundaries between fields under organic

138 (6) The department shall not certify land that has no 139 previous history as cultivated cropland, orchard or improved 140 pasture, and that is being converted to organic for the sole 141 purpose of replacing land abandoned because of chemical 142 contamination or depleted fertility resulting from previous 143 farm-management practices.

management and other fields.

144 (7) In order to be certified, greenhouse units must be used
145 solely for organically-produced agricultural products in
146 compliance with this act and applicable regulations.

147 (8) An applicant for certification shall present soil
148 fertility test results for each field or greenhouse unit to be
149 certified initially and every third year thereafter.

(9) An applicant shall also present the results of waterresidue and plant-tissue tests as required by the department.

(10) The department shall reserve the right to use acertification rating system in evaluating the application.

154 <u>SECTION 4.</u> (1) Every precaution shall be taken to avoid 155 pesticide or other contaminating residues on agricultural products 156 sold or labeled as organic. In cases of unavoidable environmental 157 contamination, residues shall not exceed the limits set by the 158 department. For any substance not currently regulated by federal 159 law, the department may set appropriate action levels.

160 (2) The department shall sample a percentage of organic raw
161 agricultural commodities and organic processed food products as
162 part of the state pesticide residue monitoring program. Results
163 obtained from organic produce and organically processed product

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164 samples shall be compiled in a separate annual report and 165 submitted to the United States Department of Agriculture.

166 (3) If a pesticide residue or residue of another prohibited 167 substance is found on an organic raw agricultural commodity or an 168 organically processed product by a state pesticide residue 169 monitoring program, the department may conduct an investigation of 170 the appropriate handler, producer or processor.

171 (4) The department may conduct periodic residue testing of172 agricultural products sold as organic in the following situations:

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(a) In cases of pesticide drift;

174 (b) When farm or handling facility inspection leads to175 suspicion of residue problems;

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(c) Suspicion that the soil harbors contaminants;

177 (d) Suspicion that irrigation water or rainfall178 contains residues;

(e) During the thirty-six-month period immediately
following treatment of a certified organic farm by a state or
federal emergency spray program; or

(f) In response to complaints, or to follow up on positive residue testing results from federal, state, or local government testing.

185 <u>SECTION 5.</u> (1) The department may certify a crop as organic 186 only if harvest occurs at least three (3) years after the most 187 recent use of a prohibited pesticide and at least three (3) years 188 after the most recent use of a prohibited fertilizer.

189 (2) Farmers, growers or producers may be certified as 190 "transition to organic" within the three-year period required for 191 being certified as organic pursuant to subsection (1) of the 192 section. A "transition to organic" certification shall not exceed 193 three (3) consecutive years for the same farm unit. 194 <u>SECTION 6.</u> If a certified farm, field or greenhouse unit is 195 removed from organic management, it may be recertified after 196 passage of three (3) years without the application of a prohibited 197 pesticide and two (2) years without the application of a 198 prohibited fertilizer or other prohibited material.

199 <u>SECTION 7.</u> (1) The following records shall be kept for each 200 farm, field or other agricultural production unit for which 201 application for certification is made:

202 (a) Copies of farm questionnaires devised by the203 department and completed by applicants for certification;

(b) Field-by-field or unit-by-unit fertilization,
cropping and pest management histories;

(c) Records of all laboratory analyses performed for a farm, including soil tests, plant-tissue tests, forage tests, bacteria counts and residue tests for toxic contaminants in soil, water or crops for at least three (3) years and made available for review by the department;

(d) Records of all crops produced shall show by lot, bin or shipment numbers and dates which field a particular lot came from;

(e) A producer of both organic produce and nonorganic
produce on the same farm shall keep separate records for each of
these two (2) categories. The sales records shall include
verification documents such as questionnaires, farm plans,
affidavits, inspection reports, laboratory analyses and documents
showing the path taken by an organic food product through
post-harvest handling and distribution;

(f) Other documentation required to complete the application for certification or recertification as required under Section 3 of this act.

(2) The following records shall be kept for processors:
(a) The department-devised questionnaire covering all
nonfarm aspects of food processing and manufacturing, if

227 applicable, to be prepared for each stage of the processing where 228 a food is substantially changed from its previous state and 229 covering every aspect of the product relevant to the department's 230 certification standards; and

(b) Notarized affidavits and agreements declaring thatthe information they provide is accurate.

(3) (a) The department shall conduct a minimum of one (1)
on-site inspection per year of every farm or processing facility
for which a questionnaire is required; and

(b) These inspections shall be reported on a form
signed by a department inspector that include the following
information:

(i) Observations about the condition of the farmor processing facility;

(ii) Comments about the use of restricted orprohibited practices and materials; and

243 (iii) An optional certification rating of the244 operation.

(4) The department may conduct unannounced inspections ofcertified producers and certified processors.

247 <u>SECTION 8.</u> (1) The department may conduct or provide for 248 audits of all documents used to verify that certified products 249 meet organic standards.

250 (2) These audits shall include, where appropriate:

(a) An inventory audit, a listing of the formulations
of the product, percent accuracy in labeling, the amount bought
and sold per product and producer or destination and the number of
vendors and amount of product per vendor; or

(b) A farm audit, listing the amounts sold per product, date and destination and the area and location planted of each product with dates of harvest.

(3) Information contained in audit records that is exemptunder the Public Records Act of Mississippi shall remain

260 confidential. Such exempt confidential information shall include, 261 but not be limited to:

262 (a) Information that, if released, would give advantage263 to competitors or bidders; and

(b) Trade secrets and commercial or financial
information obtained from a person and privileged or confidential
by statute or judicial decision.

267 <u>SECTION 9.</u> (1) Applications submitted under this act shall 268 be in writing on a form prescribed by the department.

269 (2) A separate application shall be submitted for each farm,
270 farm unit, processing plant, distribution facility or retail
271 operation.

(3) Applications and verification documents shall be
submitted to the Mississippi Department of Agriculture and
Commerce.

(4) The department shall authorize retailers and
distributors to use the Mississippi certified organic mark upon
satisfactory completion and approval of a department application
form.

(5) All applicants entitled to use the mark shall be subjectto inspection by the department.

281 <u>SECTION 10.</u> (1) The following conditions apply generally to 282 the retail sale of organic products:

(a) Any person selling organic products shall be
certified by the department, shall renew certification annually
and shall abide by the provisions of this act.

(b) A certified retailer may use the department
approved mark to identify only certified organic or transition to
organic food produced in Mississippi by a department certified
producer.

(c) Products bearing a Mississippi organic or
 transitional organic mark shall be easily identifiable to
 consumers and shall be clearly distinguishable from similar

293 products that are not Mississippi certified or transitional 294 organic.

(d) A certified retailer may sell or hold out for sale as organic those agricultural products that have been certified as organically produced by the official certifying agent for the state of origin.

(2) A retailer or distributor shall have in place physical
 facilities and management procedures adequate to prevent
 commingling of organic food or organic products with other
 nonorganic or contaminated food or products during distribution or
 stocking.

304 <u>SECTION 11.</u> (1) The department shall not certify drugs or 305 drug ingredients under this act.

306 (2) No person may use a Mississippi certified organic mark 307 in connection with, nor represent as Mississippi certified 308 organic, any product or any ingredient of a product that is 309 regulated as a drug or that has been determined by a state or 310 federal agency of competent jurisdiction to be subject to 311 regulation as a drug.

312 (3) No person may use a Mississippi certified organic mark 313 or represent any product or ingredient as Mississippi certified 314 organic in an advertisement including, but not limited to, a 315 printed or broadcast advertisement, "advertorial," flier, 316 point-of-purchase material, signage or other printed material, 317 that makes medicinal claims.

318 <u>SECTION 12.</u> (1) The department shall perform inspections of 319 certified producers, processors, retailers, distributors and 320 applicants for certification at a time when normal production, 321 post-harvest or sales activity can be observed.

322 (2) The department may issue a stop sale on products that 323 falsely or erroneously claim to be organic. The stop sale may be 324 lifted at such time as the seller can show:

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5 (a) That the products were organically managed in

326 compliance with this act and regulations or that of the state of 327 origin; or

328 (b) That he agrees to drop any claim that the products329 were organically produced.

330 (3) The department may conduct unannounced inspections in331 cases of suspected violations of standards.

332 (4) Any person with cause to believe that any provision of 333 this act has been violated may file a written or oral complaint 334 with the department setting forth the facts of the alleged 335 violation.

336 (5) The department shall maintain for three (3) years 337 records of all complaints, investigations, and remedial actions. 338 These records shall become part of the reviewing record of any 339 proceeding involving a certified person or applicant for 340 certification.

341 <u>SECTION 13.</u> (1) Producers and processors participating in 342 the department's organic certification program will be charged an 343 inspection fee and an annual renewal fee. Retailers and 344 distributors shall be charged an application fee for the initial 345 inspection conducted by the department in accordance with this act 346 and the regulations and an annual renewal fee.

347 (2) The inspection fee shall be paid by the new applicant 348 and those applicants renewing certification, and shall be paid in 349 accordance with the following schedule:

350	Producer	Initial application	Renewal
351	less than 5 acres	\$50.00	\$25.00
352	5 to 25 acres	\$75.00	\$50.00
353	over 25 acres	\$150.00	\$50.00 plus
354			2.50 per acre
355			of production
356	Greenhouse Producer	Initial application	Renewal
357	less than 250 sq. ft.	\$50.00	\$25.00
358	250 to 1,000 sq. ft.	\$75.00	\$50.00

359 over 1,000 sq. ft. \$150.00 \$150.00 Initial application 360 Distributor Renewal 361 \$150.00 \$150.00/year 362 **Processor** (other than Initial application Renewal producer/processor) \$500.00 363 \$500.00/year 364 Retailer Initial application Renewal 365 \$100.00 \$100.00

366 <u>SECTION 14.</u> (1) The labeling, advertising or otherwise 367 representing of food to be organic by any producer, handler, 368 distributor or retailer is prohibited, unless the food complies 369 with this act and regulations.

370 (2) The selling or offering for sale of food as organic
371 which does not comply with this act or regulations is prohibited.
372 (3) The buying, selling or offering for sale of any organic
373 food by any handler, distributor or retailer in violation of this
374 act or regulations is prohibited.

375 (4) The use, employment, adoption or utilization of the 376 Mississippi certified organic mark in the selling, advertising, 377 marketing, packaging or other commercial handling of food and 378 fiber product without prior application to and approval by the 379 department is prohibited.

380 <u>SECTION 15.</u> Any person who violates this act or any 381 regulation is guilty of a misdemeanor, and shall be punished by 382 the imposition of a fine not to exceed Five Hundred Dollars 383 (\$500.00) or by imprisonment in the county jail for a term not to 384 exceed six (6) months, or both.

385 <u>SECTION 16.</u> (1) If a person violates this act, or rules and 386 regulations, administrative proceedings may be brought against the 387 person by a written complaint filed with the department. The 388 matter shall be heard by the organic certification program 389 director or his designated representative in an informal meeting 390 between the accused and the program director or his designee. If 391 the program director or his designee finds that the accused did

392 commit a violation, the program director may levy a civil penalty 393 against the accused in an amount as authorized by the regulations 394 of the department, revoke or suspend the registration, license or certification of the accused and require the accused to remove the 395 396 mark from the goods or products that are in violation of this act 397 before sale. The program director or his designee shall render a written opinion. If either party is aggrieved by the findings of 398 the program director or his designee, he may appeal to the 399 400 commissioner for a full evidentiary hearing. At the hearing 401 before the commissioner or his designated representative, the 402 matter shall be heard de novo, the commissioner shall have 403 subpoena power, the witnesses shall be placed under oath and the 404 testimony shall be recorded. The commissioner or his designee 405 shall render a written opinion. If either party is aggrieved by 406 the findings of the commissioner, he may appeal to the circuit 407 court of the county of residence of the accused, or, if the 408 accused is a nonresident of the State of Mississippi, to the 409 Circuit Court of the First Judicial District of Hinds County, 410 Mississippi. If either party is aggrieved by the findings of the 411 circuit court, he may appeal to the Mississippi Supreme Court. 412 All fees, costs and penalties collected from the accused may be retained by the department for its operating expenses. 413 The 414 commissioner may expand and amplify the procedures and other 415 matters mentioned in this section in such rules and regulations 416 that the commissioner deems necessary or desirable to carry out 417 this section.

(2) When any violation of this act or rules and regulations occurs or is about to occur that presents a clear and present danger to the public health, safety or welfare requiring immediate action, the commissioner or any designated representative may issue an order to be effective immediately, before notice and a hearing that imposes upon the accused a stop sale order, requires the relabeling of a product, requires the seizure and sale of a

425 product and such other measures as the commissioner deems 426 necessary under the circumstances. The emergency order shall 427 contain findings to this effect and the reasons for its entry. 428 The order shall contain or be accompanied by a notice of 429 opportunity for hearing which shall provide that a hearing shall be held if and only if the person subject to the order requests a 430 431 hearing within ten (10) days of receipt of the order and notice. 432 A copy of the order and notice shall be served upon the affected person by certified mail or by any of the methods set forth in 433 434 Rule 4 of the Mississippi Rules of Civil Procedure. Upon a request for a hearing, a complaint setting forth the charges shall 435 436 be served upon the accused, and the procedure outlined in subsection (1) of this section shall be followed. If it is 437 determined by the reviewing officer or the commissioner, or his 438 439 designee, that the emergency order was erroneously entered, a 440 remedy shall be fashioned which will make the affected person 441 whole.

442 SECTION 17. This act shall take effect and be in force from 443 and after July 1, 2000.